GOVERNMENT OF INDIA
CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION
LOK SABHA

STARRED QUESTION NO:138
ANSWERED ON:03.05.2016
Rise in Sugar Prices
Gaikwad Dr. Sunil Baliram;Gupta Shri Sudheer

Will the Minister of CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION be pleased to state:

(a) the average national factory price of sugar and sugarcane during the last three years and the current year;
(b) whether the attention of the Government has been drawn to steep rise in price of sugar during the last three months despite adequate availability and if so, the details thereof along with the reasons therefor indicating the demand, supply and price of sugar during the said period;
(c) whether the Government proposes to impose stock limits for sugar in the country;
(d) if so, the details thereof and the time by which a decision is likely to be taken by the Government in this regard; and
(e) the other steps taken/being taken by the Government to check the price rise of sugar in the country?

Answer

MINISTER OF CONSUMER AFFAIRS, FOOD & PUBLIC DISTRIBUTION
(SHRI RAM VILAS PASWAN)
(a) to (e): A Statement is laid on the Table of the House.
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STATEMENT REFERRED TO IN REPLY TO PARTS (a) TO (e) OF THE STARRED QUESTION NO 138 DUE FOR ANSWER ON 03.05.2016 IN THE LOK SABHA
(a): The all India average ex-mill price of sugar and the Fair and Remunerative Price (FRP) of sugarcane during last three sugar seasons and the current season are as under:-
Season
Range of all-India average ex-mill price
(Rs. per quintal)
FRP of sugarcane at 9.5% basic recovery (Rs./ per quintal)
Additional increase of FRP for every 0.1% point increase in basic recovery
2012-13
2810-3685
Rs. 170
1.79
2013-14
2420-3300
Rs. 210
2.21
2014-15
2050-2860
Rs. 220
2.32
2015-16
2350-3660 (Upto April, 2016)
Rs. 230
2.42
(b): The prices of sugar in the domestic market depend upon a number of factors viz, availability of sugar, domestic demand, trend of international prices, market sentiment etc. The retail prices of sugar in domestic market which were ruling in the range of Rs. 30-32 per Kg upto December, 2015 have steadily increased to Rs. 34−36 per Kg during last three months and show a sudden spurt to Rs. 40-42 per Kg more recently, in some parts of the country. The available stock of sugar during last three months (January to March) was about 246 Lakh MT. Though, there is enough sugar stock and availability to meet domestic demand, certain quarters are indulging in speculative activities and holding their stock in anticipation of a further price rise.
(c) & (d): Yes, Madam, the Government has decided to impose stock holding limits.
(e): The Government is also inter-alia closely monitoring the prices of sugar in the domestic market as well as sales by sugar mills.
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